



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	SB0062
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Title:	Amend Livestock Reporting
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Primary Sponsor:	Brown, Taylor
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Status:	As Introduced
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| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$4,387,000	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This bill changes the due date for livestock fees. This would move payments for each calendar year forward one fiscal year. This would result in collections for two calendar years occurring in FY 2016.

FISCAL ANALYSIS

Assumptions:

Department of Livestock

- SB 62 changes the per capita fee collection date to one closer to the livestock reporting date. It does not change the amount of revenue collected by the Department of Revenue on behalf of the Department of Livestock. Instead of reporting on February 1 each year, owners would report on March 1 each year. The Board of Livestock presently sets the rate in September and the Department of Revenue bills owners with a due date of November 30. SB 62 specifies that the per capita fee is due May 31 each year.

2. The effective date of the bill is January 1, 2016. The reporting for TY 2015 will be as is presently done. The owners will have bills due on November 30. In 2016 the owners will report their headcount by March 1 and will have payment due May 31. The impact to the Department is the same each year.
3. During FY 2015 there will be a collection for TY 2015 in November 2015 and a collection for TY 2016 in May 2016. In essence, this is collecting two years revenue in FY 2015 which will be used for two years of expenditures. The revenue will be deposited in the treasury as required.
4. Beginning 2016, the Board of Livestock will likely set their per capita fee rates in March instead of September.

Department of Revenue

5. Title 15, Chapter 24, Part 9 imposes fees on livestock owners to fund the Department of Livestock. Under current law, the Department of Revenue mails livestock reporting forms to livestock owners and they return them by March 1. The Department of Revenue then mails per capita fee bills in the fall, and payments are due by November 30. Thus, payments for a calendar year are due in the next-higher-numbered fiscal year. For example, fees for calendar year 2014 are due in November 2014, which is in FY 2015.
6. This bill would change the due date for payments to May 31, beginning with fees for calendar year 2016. Payments for a calendar year would be due in the same-numbered fiscal year. For example, fees for calendar 2016 would be due in FY 2016.
7. Livestock fee collections in FY 2014 were \$4.387 million. These were for CY 2013. This fiscal note assumes that collections for future calendar years will also be \$4.387 million.
8. Fees for two calendar years would be collected in FY 2016. Fees for CY 2015 will be due by November 31, 2015, as under current law. Fees for CY 2016 would be due by May 31, 2016. Both of these deadlines are in FY 2016. Thus, collections in FY 2016 will be \$4.387 million higher than under current law.
9. Collections in later fiscal years will be for one calendar year and will be the same as under current law.
10. One-time costs to make changes to the department's data processing systems in FY 2016 are anticipated to be minimal and would be absorbed within the department's existing budget.

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Fiscal Impact:	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
Department of Revenue				
<u>Expenditures:</u>				
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>\$4,387,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Revenues	<u>\$4,387,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>\$4,387,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Effect on County or Other Local Revenues or Expenditures:**Montana Association of Counties**

1. SB 62 will create a one-time increase in revenue during the first year of implementation by collecting the per capita assessment in May rather than December. There is no county impact.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date